

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION**

**Division 100—Insurer Conduct
Chapter 9—Filing Requirements**

PROPOSED RULE

20 CSR 100-9.100 Requirements for the Filing of Papers, Documents, or Reports with the Insurance Market Regulation Division

PURPOSE: The purpose of this rule is to establish the use of electronic filing of papers, documents, or reports via System for Electronic Rate and Form Filing (SERFF), to establish when a document is identified as filed with the department, and to establish the use of electronic funds transfers for the purpose of paying filing fees.

(1) Scope. This rule is applicable to any company filing papers, documents, or reports, which are required to be filed under Missouri law, with the Insurance Market Regulation Division, as permitted by law.

(2) Definitions. As used in 20 CSR 100-9.100 the following terms mean:

(A) Company—any entity licensed under a Certificate of Authority issued by the director to conduct business in this state including, but not limited to, insurers and health carriers as defined in section 376.1350, RSMo. Company is also defined to include any third party filer, advisory organization, or rating organization conducting business in this state;

(B) Deliver—the act by a company of providing a document, paper, or report to the department;

(C) Department—the Department of Insurance, Financial Institutions and Professional Registration;

(D) Director—the director of the department;

(E) Disposition—the final status assigned to a document upon completion of the review of the document;

(F) Division—the Insurance Market Regulation Division;

(G) Document—any form, rate, or rule that is legally required to be delivered either to the division, or to the department or director through the division, and any other form, rate, or rule intended to be delivered either to the division, or to the department or director through the division. Documents do not include any form, rate, or rule that is legally required to be delivered either to the market conduct section or to the department or director through the market conduct section;

(H) Filing Submission—one or more related documents, which have been delivered through SERFF under a single SERFF tracking number by a company, that has not yet been treated as filed, received, or deficient;

(I) Filing Type—categories provided within SERFF that denote the insurance product;

(J) Form—any policy, policy of insurance, policy form, form of membership contract, standard form, title insurance policy, form of the group contract, deductible plan, enrollee contract, contract certificate, certificate of insurance, endorsement, rider, amendment form, contract amendment, amendment, standard form endorsements, application, application of insurance, provider contracts, form of evidence of coverage, schedule of benefits, grievance procedures, applications, applications of insurance, title insurance commitments, closing or settlement protection letters, term, condition, exception, notice of proposed insurance, anything that acts in a manner similar to any of the foregoing, and any amendment to any of the foregoing;

(K) NAIC—National Association of Insurance Commissioners;

(L) Paper—any notice, contract, or agreement that is legally required to be delivered either to the division, or to the department or director through the division, and any other notice, contract, or agreement intended to be delivered either to the division, or to the department or director through the division. A paper does not include any notice, contract, or agreement that is legally required to be delivered either to the market conduct section or to the department or director through the market conduct section;

(M) Rate—rates, rating plan, rating system, premium schedule, schedule of premium rates, supporting actuarial data, supplementary rate information, supporting information for risks, certifications, uniform experience rating plan, individual risk premium modification rating plan, anything else that acts in a manner similar to any of the foregoing, and any amendment to any of the foregoing;

(N) Report—any report that is legally required to be delivered either to the division, or to the department or director through the division, and any other report intended to be delivered either to the division, or to the department or director through the division. A report does not include: any statistical data submitted to the division pursuant to a data call under section 374.190, RSMo, or any report that is legally required to be delivered either to the market conduct section or to the department or director through the market conduct section;

(O) Rule—any plan of operation, bylaws, rules of procedure, statistical plan, uniform statistical plan, uniform classification system, subclassification of the uniform classification system, manual of classification, manual rule, rule, underwriting rule, anything that acts in a manner similar to any of the foregoing, and any amendment to any of the foregoing;

(P) SERFF—System for Electronic Rate and Form Filing as maintained by the NAIC;

(Q) Submit—the act by a company of delivering a document to the division through SERFF;

(R) Supersede—the act by a company of replacing one document with another document when the document that was to be replaced has not yet been given a disposition by the department;

(S) TOI—Type of Insurance – codes provided within SERFF to categorize insurance products.

(3) Filing Requirements.

(A) All documents must be submitted.

(B) A company's filing submission will be treated as filed, received, or deficient.

1. A document is "filed" if it includes:
 - A. The appropriate filing fee;
 - B. The proper TOI code;
 - C. The proper filing type;
 - D. Documents to be reviewed that are attached to the appropriate SERFF schedule/tab;
 - E. All necessary supporting documentation; and
 - F. Compliance with all other filing requirements as set forth in Missouri law.
2. A document is "received" if it includes the appropriate filing fee, and—
 - A. It is not intended by the company to be filed, or
 - B. The submission does not include a necessary component to qualify as filed.
3. A document is "deficient" and will be rejected if it does not include the appropriate filing fee.

(C) Only documents that are filed will be reviewed for compliance with Missouri laws as applicable.

(D) Any document that supersedes another document within a filing submission will be treated as a new filing submission. The new filing submission must meet all requirements within this rule except that no additional fee will be charged.

(E) Any document that is superseded by another document is withdrawn by the company from review by the division and is no longer submitted.

(4) Filing Fees.

(A) Any filing submission, except as provided below or otherwise provided by statute, must include a filing fee of fifty dollars (\$50) per submission per company.

1. With respect to a farm mutual, formed under Chapter 380, RSMo, no filing fee is required for any such filing submission.
2. With respect to any extended farm mutual, formed under Chapter 380, RSMo, any such filing submission must include a filing fee of ten dollars (\$10) per form.

3. With respect to any discount medical plan, formed under Chapter 376, RSMo, any such filing submission must include a filing fee of twenty-five dollars (\$25) per form.

(B) Any filing submission, paper, or report must be paid for through the SERFF Electronic Funds Transfer (EFT) system.

AUTHORITY: sections 354.120, 354.723, 375.013, 376.675, 376.1025, 376.1095, 379.351, and 380.561, RSMo 2000, and sections 354.085, 354.485, 374.045, 374.056, 376.405, 376.777, 376.1399, 381.042, and 383.035, RSMo Supp. 2013. Original rule filed July 15, 2015.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule is estimated to cost private entities eight thousand two hundred and eighty dollars (\$8,280) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the Department of Insurance, Financial Institutions and Professional Registration, Attention: Ross A. Kaplan, PO Box 690, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. A public hearing is scheduled for Friday, September 18, 2015 at 9:00 a.m. at the Harry S Truman State Office Building, Room 530, 301 West High Street, Jefferson City, Missouri.

SPECIAL NEEDS: If you have any special needs addressed by the Americans with Disabilities Act, please notify us at (573) 751-2619 at least five (5) working days prior to the hearing.

**FISCAL NOTE
PRIVATE COST**

- I. Department Title:** Department of Insurance, Financial Institutions and Professional Registration
Division Title: Insurance Market Regulation Division
Chapter Title: Filing Requirements

Rule Number and Title:	20 CSR 100-9.100, Requirements for the Filing of Papers, Documents, or Reports with the Insurance Market Regulation Division
Type of Rulemaking:	New Regulation

II. SUMMARY OF FISCAL IMPACT

Estimate of the number of entities by class which would likely be affected by the adoption of the rule:	Classification by types of the business entities which would likely be affected:	Estimate in the aggregate as to the cost of compliance with the rule by the affected entities:
43 entities with a total of 360 filings over 5 years	Property and Casualty Insurers	\$5,400
4 entities with a total of 192 filings	Life and Health Insurers	\$2,880

III. WORKSHEET

(Projected number of paper filings from 2015 through 2019) x (SERFF user fee) = aggregate cost

Property and Casualty Insurers: $(86+78+70+66+60) \times (\$15) = \$5,400$

Life and Health Insurers: $(47+42+37+35+31) \times (\$15) = \$2,880$

Aggregate Cost (5 year projection) = $\$5,400 + \$2,800 = \$8,280$

IV. ASSUMPTIONS

The Department began using the System for Electronic Rate and Form Filing ("SERFF") in 2007. From that time until the present, utilization of SERFF for insurance filings has been voluntary on the part of the companies. From 2010 until 2015 both the number of companies making paper filings and the number of paper filings submitted has dropped significantly as companies have continued to voluntarily adopt the use of SERFF.

Separate from the Department's filing fee, SERFF has a user fee of fifteen dollars (\$15) per filing made within SERFF.¹

Using SERFF data from 2010 through 2014, the Department created a trend line to project the number of companies making paper filings and the number of such filings that will be made over the next five years in an attempt to accurately determine the aggregate cost to private entities. Section 536.205.1(3) requires an estimate of aggregate cost to private entities to comply with the rule. However, because the life of the rule is unknown, it is impossible to determine a total aggregate cost. Thus, the Department has utilized the aforementioned 5-year projection. While the aggregate cost will likely increase yearly beyond the next five years, the trend line projects that such yearly increase will be smaller and smaller each subsequent year yet never reach zero.

For perspective with regard to the private cost and total impact of this rule:

- 1) While the aggregate cost to private entities is projected to be \$8,280, the total premium volume for the Missouri insurance industry in 2013 was \$32,914,611,786.²
- 2) Additionally, while the aggregate number of paper filings affected by this rule is projected to be 552, the total number of filings made to the Department over the prior five years is 53,222.

¹ There is a discounted price if a company makes bulk filings, but no company currently making paper filings would reach the threshold to receive the discounted rate in any given year; therefore, the fifteen dollar (\$15) primary rate is used for the purposes of the cost calculation.

² 2013 is the most recent data collected at this time.